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David Greene

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CONLEY ROSE, P.C.

David A. Rose

P. O. BOX 3267

HOUSTON, TX 77253-3267

EXAMINER

KARMIS, STEFANOS

ART UNIT

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ELECTRONIC

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1 UNITED STATES PATENT AND TRADEMARK OFFICE

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3
4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES
6

7
8 *Ex parte* DAVID GREENE, DENNIS MIERZWA, AYMAN
9 ABUKHATER, and MICHAEL SIEVERT
10

11
12 Appeal 2008-4118
13 Application 09/802,701
14 Technology Center 3600
15

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17 Decided:¹ April 27, 2009
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19

20 *Before* MURRIEL E. CRAWFORD, HUBERT C. LORIN, and ANTON W.
21 FETTING, *Administrative Patent Judges*.

22
23 CRAWFORD, *Administrative Patent Judge*.
24

25
26 DECISION ON APPEAL
27 STATEMENT OF THE CASE

¹ The two-month time period for filing an appeal or commencing a civil action, as recited in 37 C.F.R. § 1.304, begins to run from the decided date shown on this page of the decision. The time period does not run from the Mail Date (paper delivery) or Notification Date (electronic delivery).

Appellants appeal under 35 U.S.C. § 134 (2002) from a Final Rejection of claims 1-5, 8-14 and 16-18. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

Appellants invented systems and methods for implementing an online trading system having a real-time account opening process (Specification 3).

Claim 1, reproduced below, is further illustrative of the claimed subject matter:

1. A method of securing an ownership interest in a publicly traded corporation, wherein the method comprises:
receiving a request to open a brokerage account;
remotely providing account application information to an online brokerage;
electronically signing an account agreement authorizing the establishment of an online brokerage account with said online brokerage;
opening said online brokerage account;
authorizing an online real-time transfer of investment funds to said online brokerage account;
automatically initiating an online transfer of investment funds to said online brokerage account;
using said online brokerage account to place an online real-time trading order using an abbreviation associated with said publicly traded corporation; and
using said online brokerage account to complete an online real-time trading order.

The prior art relied upon by the Examiner in rejecting the claims on appeal is:

Musmanno	US 5,826,243	Oct. 20, 1998
O'Shaughnessy	US 6,484,151 B1	Nov. 19, 2002
Wallace	US 6,968,317 B1	Nov. 22, 2005

1 The Examiner rejected claims 1-5, 8-14 and 16-18 under 35 U.S.C.
2 § 103(a) as being unpatentable over Wallace in view of Musmanno and
3 O'Shaughnessy.

4
5 SUMMARY OF THE DECISION

6 We sustain the rejections of claims 1-5 and 8-14.

7 We will not sustain the rejections of claims 16-18.

8
9 ISSUES

10 Did the Appellants show the Examiner erred in finding that Wallace
11 discloses automatically initiating a transfer of funds as recited in
12 independent claims 1 and 8?

13 Did the Appellants show the Examiner erred in finding that Wallace
14 discloses an online transfer of investment funds as recited in independent
15 claims 1 and 8?

16 Did the Appellants show the Examiner erred in finding that Wallace
17 discloses “updating said new record with a buying power greater than zero”
18 as recited in independent claim 8?

19 Did the Appellants show the Examiner erred in finding that Wallace
20 discloses a computer configured to execute a principalling process, the
21 principalling process including obtaining a password from at least one
22 principal as recited in independent claim 16?

FINDINGS OF FACT

Specification

The Specification discloses that a “principal” is “a brokerage representative authorized to make business decisions for the brokerage” (Specification 10).

Wallace

Wallace discloses that a user applies to open an account by sending an application form to system 100 (col. 9, ll. 7-32).

System 100 then conducts an electronic series 8 application review process and approves or denies the application (col. 8, ll. 50-63).

Prior to the approval or denial of the application, system controls are in place at the server level to prevent the user from performing certain activities, such as trading securities, funding the account, or obtaining real time quotations of securities (col. 10, ll. 13-17).

If the application is approved, the restrictions on the customer’s on-line brokerage account are removed. System 100 assigns the user an account identifier and password so that the user may access the brokerage account on-line (col. 10, ll. 20-54; col. 13, ll. 44-51).

There are numerous ways in which a user may fund the brokerage account, such as by wiring money from another account, transferring assets from another account, or via an electronic funds transfer (hereinafter “EFT”) (col. 7, ll. 1-19; col. 11, ll. 3-16).

PRINCIPLES OF LAW

During examination of a patent application, a pending claim is given the broadest reasonable construction consistent with the specification and should be read in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004).

Unless the steps of a method actually recite an order, the steps are not ordinarily construed to require one. *See Loral Fairchild Corp. v. Sony Corp.*, 181 F.3d 1313, 1322, 50 USPQ2d 1865, 1870 (Fed. Cir. 1999) (stating that “not every process claim is limited to the performance of its steps in the order written”). However, such a result can ensue when the method steps implicitly require that they be performed in the order written. *See Loral*, 181 F.3d at 1322, 50 USPQ2d at 1870 (stating that “the language of the claim, the specification and the prosecution history support a limiting construction[, in which the steps must be performed in the order written,] in this case”); *Mantech*, 152 F.3d at 1376, 47 USPQ2d at 1739 (holding that ‘the sequential nature of the claim steps is apparent from the plain meaning of the claim language and nothing in the written description suggests otherwise’).

Interactive Gift Express, Inc. v. CompuServe Inc., 256 F.3d 1323, 1342-43 (Fed. Cir. 2001).

Obviousness

It is generally obvious to automate a known manual procedure or mechanical device. Our reviewing court stated in *Leapfrog Enterprises Inc. v. Fisher-Price Inc.*, 485 F.3d 1157 (Fed. Cir. 2007) that one of ordinary

1 skill in the art would have found it obvious to combine an old
2 electromechanical device with electronic circuitry
3 to update it using modern electronic components in
4 order to gain the commonly understood benefits of
5 such adaptation, such as decreased size, increased
6 reliability, simplified operation, and reduced
7 cost.... The combination is thus the adaptation of
8 an old idea or invention... using newer technology
9 that is commonly available and understood in the
10 art.

11 *Id.* at 1162.

12
13 ANALYSIS

14 *Automatic Transfer*

15 We are not persuaded of error on the part of the Examiner by
16 Appellants' argument that Wallace does not disclose automatically initiating
17 a transfer of funds, as recited in independent claims 1 and 8, because the
18 portions of Wallace cited by the Examiner merely disclose (1) logging into a
19 secure website with a user name and password and (2) generating an
20 application form to be mailed in to the brokerage with appropriate funding
21 (Appeal Brief 10-11; Reply Brief 1-2). Wallace discloses that prior to the
22 approval or denial of the application, system controls are in place at the
23 server level to prevent the user from funding the account. Accordingly, once
24 the account is approved and the restrictions are removed, the user may
25 access the server to fund the account, which corresponds to automatically
26 initiating a transfer of funds as recited in independent claims 1 and 8.

27 Accordingly, we will sustain the rejections of independent claims 1
28 and 8 in view of these arguments made by Appellants.

1 *Online Transfer*

2 We are not persuaded of error on the part of the Examiner by
3 Appellants' argument that the wiring of money from another account or
4 transferring money via an EFT, as disclosed in Wallace, cannot correspond
5 to an online transfer of investment funds, as recited in independent claims 1
6 and 8, because these technologies pre-date the Internet era (Appeal Brief 11-
7 12; Reply Brief 2-3; Examiner's Answer 11-12). Wallace discloses a user
8 accessing an online server to fund an account, which is "online" under a
9 broadest reasonable interpretation. *See In re Am. Acad. Of Sci. Tech Ctr.*,
10 367 F.3d at 1364.

11 Moreover, even if Wallace only disclosed funding the account via
12 wiring money or an EFT, the Federal Circuit held in *Leapfrog Enterprises*
13 *Inc. v. Fisher-Price Inc.*, 485 F.3d at 1162 that it would have been
14 predictable to modernize existing technologies if it is within the abilities of
15 one of ordinary skill in the prior art field. Wallace discloses the use of
16 online technology for managing a brokerage account, i.e., the "modernizing"
17 of brokerage technology for use online. Wallace also discloses wiring
18 money and EFTs as several examples of "numerous ways in which a user
19 may fund the brokerage account." Accordingly, in the context of
20 modernizing the brokerage account, it would also have been within the
21 abilities of one of ordinary skill in view of Wallace to also modernize
22 methods of funding the account, a subset of managing the brokerage
23 account, such that it too could be implemented online.

24 We will sustain the rejections of independent claims 1 and 8 in view
25 of these arguments made by Appellants.

1 *Buying Power Greater Than Zero*

2 We are not persuaded of error on the part of the Examiner by
3 Appellants' argument that Wallace does not disclose "updating said new
4 record with a buying power greater than zero," as recited in independent
5 claim 8, because the portions of Wallace cited by the Examiner only disclose
6 logging onto a secure website and selecting an application form (Appeal
7 Brief 12-13). Wallace discloses that prior to the approval or denial of the
8 application, system controls are in place at the server level to prevent the
9 user from trading securities. Accordingly, once the account is approved and
10 the restrictions are removed, the user may trade securities, which
11 corresponds to updating said new record with a buying power greater than
12 zero under a broadest reasonable interpretation. *See In re Am. Acad. of Sci.*
13 *Tech Ctr.*, 367 F.3d at 1364.

14 We will sustain the rejection of independent claim 8 in view of these
15 arguments made by Appellants.

16
17 *Principalling Process*

18 The Examiner asserts that the electronic series 8 application review
19 process of Wallace corresponds to a computer configured to execute a
20 principalling process, the principalling process including obtaining a
21 password from at least one principal in order to update individual status
22 designations of new brokerage accounts, as recited in independent claim 16
23 (Examiner's Answer 13-14). However, we agree with the Appellants that
24 system 100 of Wallace issuing a password to a user, after the account
25 application has been approved, does not correspond to obtaining a password
26 from a principal in order to update individual status designations of new

1 brokerage accounts (Appeal Brief 13). Not only does a user in Wallace not
2 correspond to the claimed principal (i.e., brokerage representative), but the
3 order of issuing passwords and approving accounts in Wallace is opposite to
4 the order of the allegedly corresponding steps of obtaining a password and
5 updating individual status designations recited in independent claim 16. *See*
6 *Interactive Gift Express, Inc. v. CompuServe Inc.*, 256 F.3d at 1342-43.

7 As the Examiner has not established a proper case of *prima facie*
8 obviousness for independent claim 16, we will not sustain the rejections of
9 dependent claims 17 and 18 as well.

11 CONCLUSION

12 The Appellants have failed to show that the Examiner erred in
13 rejecting claims 1-5 and 8-14.

14 The Appellants have shown that the Examiner erred in rejecting
15 claims 16-18.

16 No time period for taking any subsequent action in connection with
17 this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R.
18 § 1.136(a)(1)(iv) (2007).

20 AFFIRMED-IN-PART

Appeal 2008-4118
Application 09/802,701

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3 CONLEY ROSE, P.C.

4 DAVID A. ROSE

5 P.O. BOX 3267

6 HOUSTON, TX 77253-3267